**Interim Progress Report**

On ***June 8,*** we will have progress presentations through which the class and I will provide initial feedback/suggestions. The report/presentation is worth 5% of your grade.

Each team will prepare a ***3 or 4 minute*** presentation and also hand me a 2-3 page progress report at the start of class.

**Presentation**

The interim presentation is relatively informal – not all the team members are required to present. The final presentation is formal (*all* team members will present.) Please send me your interim presentation by email the morning of **June 8*.***

Please use 3 or 4 overheads to inform us about:

(a) Your **topic,** i.e., the company and the current strategic issue/s you focus on (briefly convey why the issue/s are strategically important and interesting).

(b) Your **research outline** and how the work will be divided among team members

(i) Use the case analysis framework we have discussed in class; and

(ii) Tell us what the relevant industry, rivals are etc. but ***don’t go into detail*** under each heading – 4 minutes is not a lot of time!

(c) The **main data sources** you will use; and

(d) **Any important findings** to date (*very brief*).

**Progress Report**

This report should be 2-3 pages long (not including the list of references):

1. On the first page, briefly discuss the **key strategic issues** and why they are/will be relevant for the firm’s sustained competitive advantage, and
2. On the second and third pages, provide an **outline of the final report**. Use the case analysis framework and bullet points to indicate the key contents of each section or subsection (a hypothetical example: using bullet points, indicate that the relevant industry is: “Canadian banking industry” and that the relevant rivals are “RBC, CIBC, and TD.) These bullet points will allow me to give you valuable feedback about the directions you are taking for the research.
3. On the last page, provide a list of high-quality references you are using for the project. You must include the “industry” level reports you have found (for example, those from S&P NetAdvantage, Mergent, Freedonia etc.)

Interim Progress Report

Sgma 591.2

Team 6:

Asd

Asd

Asd

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asd

KEY STRATEGIC ISSUES:

The company that we are examining is Dell Inc. Dell is one of the major firms that compete within the PC manufacturing industry. As far as the main report is concerned there are 4 main key strategic issues that we wish to address. They are as follows:

1. Dell faces considerable competition from 4 major firms – HP, Lenovo, Acer, and Toshiba. As of 2009, these 5 firms occupied over 50% of the global market of PC sales. Furthermore, during 2004 and 2005 Dell was the market leader in terms of PC sales and profits. However, subsequent to this time, Dell lost its first place standing to HP in the North American Market, and has lost considerable global market share to the remaining firms. In particular, it has faced considerable setbacks to growth in terms of its market share in emerging markets as due to expansionary moves made by Lenovo and Acer. The implications of this in terms of strategy are significant. As of 2010 Dell continues to lose international market share as it lacks a strong means of entry into markets beyond North America.
2. Industry convergence within the PC industry has led manufacturers to produce many new product lines beyond the traditional PC. These include peripheral devices, PDAs, smart phones, support software and applications. Dell has been a laggard in this push towards convergence. Through stalled attempts like Dell DJ and a noticeable lack of supporting application software, it failed to effectively produce an MP3 player that could take away market share from products like the Apple IPod and ITunes. Furthermore, 3 years after the launch of the IPhone, Dell has finally entered the Smartphone market through its Mini 3 handset device. This delayed reaction to produce products that are clearly generating high profits for other organizations is a clear indication that Dell needs to address its considerable limitations in terms of its value chain; notably its lack of spending surrounding R&D.
3. Branding has also become a considerable issue for Dell. Once a widely recognized brand name, Dell’s products and company no longer carry the same powerful image. This has largely been due to the company’s insistence that it remain in the PC and Server market with a focus on government and business segments (the primary drivers of their profit). However, recent changes in terms of the aforementioned industry convergence, has forced Dell to re-organize and strive to become an integrated IT technology manufacturer with a new focus on the retail consumer segment. The main challenge it faces in this regard is that incumbents already have considerable market share, brand presence, and loyalty from customers.
4. The final issue is interrelated to the each of the above. In order to achieve the goal of being an integrated manufacturer and regain market share, it must revamp its distribution and sales systems. Recently, Dell has been forced to go beyond its direct to consumer web based sales approach by sell its products through multiple distribution channels. This has included forging alliances with retailers like Best Buy and Walmart. However, this change of focus has been constrained both in scope and location. Dells emphasis still lies with its direct sales model and its additional distribution networks are primarily localized within the North American.

PROJECT OUTLINE:

INTRODUCTION AND KEY ISSUES

* The relevant issues to be developed were discussed above

EXTERNAL ANALYSIS

General Environment

Indusrty Analysis

Competitors

Market Life Cycle

INTERNAL ANALYSIS

Resources, Capabilities & Core Competencies

Value Chain Analysis

Financial Analysis

SWOT Summary

Strategic Alternatives

1.

2.

3.

Strategic Recommendation

**REFERENCES**

*Industry Level Reports:*

Mergent Online (2010, April). *First Quarter North American Industry Report: IT and IT* *Technology*. Retrieved fromhttp://www.mergentonline.com.ezproxy.lib.

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BBC Business (2009).The Mobile Phone Industry: Industry Snapshot. Retrieved from:

http://news.bbc.co.uk/2/hi/business/469294.stm

*Company Specific Sources:*

MintGlobal Database (2010) *Company Report: Dell Inc.* Reterived from: `https://mintglobalbvdepcom.ezproxy.lib.ucalgary.ca/version201022/Report.serv?seqnr= 0&context=Z8NIL&\_cid=120&section=PEERGROUP

Dell Inc (2010). 10-K Form. Retrieved from:

http://content.dell.com/us/en/corp/d/corporate

~secure~en/Documents~FY09\_SECForm10K.pdf.aspx

Dell Inc (2009). *Best Employer Document*. Retrieved from: http://www.bestemployers.co.za/

Company20profiles/BEST%20EMP\_DELL.pdf

Wall Street Journal (Ben Pimental) (May 26, 2010). *Dell unveils Plans for Tablet Computer*.